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RESOLUTION 07-27

RESOLUTION AUTHORIZING THE AGENCY'S IMPLEMENTATION
AND DELIVERY OF THE MENTAL HEALTH SERVICES HOUSING PROGRAM

WHEREAS, in 2004 Proposition 63 was passed by the voters of California authorizing the collection of an additional one percent tax on taxpayers' income above \$1 Million Dollars to fund the Mental Health Services Fund ("Fund"), and

WHEREAS, this Fund is dedicated to the California Department of Mental Health ("DMH") to provide funding for the expansion of county mental health services and programs, and

WHEREAS, Executive Order S-07-06, signed by the Governor in 2006, called for a permanent supportive housing program (using money from this Fund) to be developed by DMH in consultation with the California Housing Finance Agency ("Agency") and the California Housing and Community Development ("HCD") specifically targeting persons who have mental illness, especially including homeless individuals and their families ("Special Needs Households"), and

WHEREAS, Senate Bill No. 257 was passed in 2006, clarifying the Agency's ability to make loans, using monies in whole or in part from the Fund, to assist in development of housing for these Special Needs Households, and

WHEREAS, a "work group" was created amongst DMH, the Agency, the Tax Credit Allocation Committee, HCD, the County Mental Health Directors Association, along and other interested parties, where a permanent supportive housing program has been formulated, and

WHEREAS, it is recognized that DMH has expertise in supportive services for persons who have a mental illness, and the Agency has expertise in real estate development and finance, and

WHEREAS, the Agency and DMH in consultation with the work group, have developed a plan ("MHSA Housing Program") for using monies from the Fund by which DMH will determine each county's share of supportive housing money to be allocated from the Fund, and enter into agreements with the counties that this money will be transferred to the Agency for administration of the MHSA Housing Program, and

WHEREAS, the MHSA Housing Program contemplates that the Agency will originate and administer loans ("Program Loans") using monies from the Fund, and DMH will approve and oversee the provision of supportive services to be provided in connection with the housing, and

WHEREAS, staff will be coming to the Board at a later date to propose a long range investment strategy in administration of monies from the Fund which are transferred to the Agency, and

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2 WHEREAS, in order to implement the MHSA Housing Program, it is necessary that
3 various agreements must be executed between DMH and the Agency, as well as Program Loan
4 documents between the Agency and borrower/developers, along with other interested parties to
5 any given Program Loan, and
6

7 WHEREAS, based upon the recommendation of staff and due deliberation by the
8 Board, the Board has determined that 1) it is in the public interest that the proposed MHSA
9 Housing Program be implemented in an expedient manner, 2) it will be necessary to enter into
10 various agreements with DMH for implementation of the Program, and with borrowers and
11 other interested parties in any given MHSA Housing Program Loan, and 3) in order to
12 expeditiously administer the MHSA Housing Program, the Executive Director, or in his or her
13 absence, other officers of the Agency, may execute all necessary agreements associated with
14 the MHSA Housing Program,, including but not limited to, loan documents and interagency
15 agreements.
16

17 NOW, THEREFORE IT BE RESOLVED by the Board of Directors of the California
18 Housing Finance Agency as follows:
19

20 Section 1. Authorization of Program-Related Agreements. The Executive
21 Director and the other officers of the Agency are hereby authorized to enter into, for and in the
22 name and on behalf of the Agency, any and all agreements and documents designed to
23 implement the MHSA Housing Program. Such agreements include, but are not limited to
24 interagency agreements, including any amendments thereto, by and between the Agency and
25 the Department of Mental Health, agreements with local departments of mental health, or other
26 local jurisdictions as necessary in connection with the MHSA Housing Program, and Program-
27 related agreements with other parties which, as the Executive Director determines, is necessary
28 for implementation of the Program.
29

30 Section 2. Authorization of Program Loan Documents. The Executive
31 Director and the other officers of the Agency are hereby authorized and directed to execute all
32 documents deemed necessary or appropriate in connection with the Program Loans including,
33 but not limited to, regulatory agreements, loan agreements, origination and servicing
34 agreements, developer agreements, operating subsidy agreements, subordination agreements,
35 loan commitments, intercreditor agreements, refunding and loan modification agreements, in
36 each case with such other parties as may be necessary in furtherance of the objectives of the
37 MHSA Housing Program.
38

39 This resolution shall constitute full, separate, complete and additional authority
40 for the execution and delivery of all agreements and instruments described in this resolution,
41 without regard to any limitation in the Agency's regulations and without regard to any other
42 resolution of the Board that does not expressly amend and limit this resolution.

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2 **Section 3. Other Delegation.** As it relates to "other officers" of the Agency, all
3 actions by the Executive Director approved or authorized by this resolution may be taken by the
4 Chief Deputy Director of the Agency, the Director of Financing of the Agency, the Director of
5 Multifamily Programs or any other person specifically authorized in writing by the Executive
6 Director.
7

8 I hereby certify that this is a true and correct copy of Resolution 07-27 adopted at a duly
9 constituted meeting of the Board of the Agency held on September 12, 2007 at Burbank,
10 California.
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13 ATTEST: _____
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Secretary